

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 194 - SB 528

March 3, 2017

SUMMARY OF BILL: Establishes a 15-member Commission on Technology (Commission) to coordinate the development of broadband and to establish goals and progress metrics for the expansion of broadband. Requires the Commission to appoint an executive director who is authorized to appoint staff to serve the Commission.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – Exceeds \$20,000/One-Time
Exceeds \$150,500/Recurring**

Assumptions:

- The Commission will be administratively attached to the Secretary of State.
- Any administrative actions required of the Department of State (DOS) can be accomplished with existing staff and by utilizing existing resources; therefore, any impact to state expenditures for administrative functions of the DOS are estimated to be not significant.
- Members shall serve without compensation but will be reimbursed for expenses incurred in attendance of meetings.
- It is reasonably assumed all meetings of the Commission will occur at the Legislative Plaza; therefore, state officers working in the capitol shall receive no reimbursement for travel.
- Due to multiple unknown factors such as who will be appointed to the seats of various agencies designated to serve on the Commission, how far such persons will have to travel in order to attend meetings, and the frequency of such meetings, a precise recurring increase in state expenditures for reimbursement of all Commission members cannot be determined but is reasonably estimated to exceed \$500 per year.
- The Commission is required to appoint and establish a compensation rate for an executive director.
- The executive director is authorized to employ all necessary and appropriate staff.
- Due to multiple unknown variables such as the rate of compensation of the executive director, the extent of any benefits established for the executive director, the number of staff hired by the executive director, and the extent of their compensation and benefits, a precise recurring increase to state expenditures cannot be specifically determined, but is reasonably estimated to exceed \$150,000 per year.

- It is assumed appropriations from the General Fund will be required to effectuate the purposes of this legislation.
- The total recurring increase in state expenditures from the General Fund is estimated to exceed \$150,500 (\$150,000 director and staff compensation and benefits + \$500 travel expenses for Commission members).
- The one-time increase in state expenditures for various supplies for the executive director and staff, which may include but not be limited to computers, software, and furniture, is reasonably estimated to exceed \$20,000.

IMPACT TO COMMERCE:

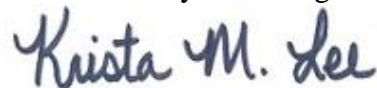
NOT SIGNIFICANT

Assumptions:

- The provisions of the language appoint a Commission to be administratively attached to the Secretary of State's office and funded with state monies.
- Any impact to commerce in Tennessee is considered not significant.
- Despite this bill creating new state positions, it is unclear as to whether the persons hired for the purpose of the bill will be coming from other positions within the Tennessee job force or from the job force of other states. Any overall net impact to the number jobs in Tennessee is considered not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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